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FARM FOREST PRODUCTS

AS COVERED BY GENERAL MAXIMUM PRICE

REGULATION

16 QUESTIONS AND ANSWERS

RECEIVED

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U. S. Department of Agriculture

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- 1. Q- Are agricultural commodities subject to the General Maximum Price Regulation?
 - A- SOME OF THEM ARE, BUT THE EXCEPTIONS ARE MANY.
- 2. Q- Are forest products agricultural commodities?
- A- THEY ARE NOT INTERPRETED AS AGRICULTURAL COMMODITIES UNDER PRICE REGULATION.
 - 3. Q- How about fuel wood that the farmer may cut?
 - A- THAT IS NOT LISTED AS AN AGRICULTURAL COMMODITY. HOWEVER, IT IS SUBJECT TO THE GENERAL MAXIMUM PRICE REGULATION.
 - 4. Q- Is not a farmer entitled to any exemption from the General Maximum Price Regulation by reason of his occupation?
 - A- YES, HE HAS A LIMITED EXEMPTION. IF THE TOTAL OF HIS SALES OR DELIVERIES DOES NOT EXCEED \$75 IN ANY ONE CALENDAR MONTH, THE REGULATION SHALL NOT APPLY TO ANY OF HIS SALES IN THAT MONTH.
 - 5. Q- Suppose his sales do exceed \$75 in one month. Does he then lose his exemption for all months?
 - A- NO, ONLY FOR THE MONTH IN WHICH THE LIMIT WAS EXCEEDED.
 - 6. Q- Does this \$75 limit enable him to sell that amount of each of a list of commodities?
 - A- NO, THE SINGLE LIMIT APPLIES TO THE TOTAL OF ALL THE COMMODITIES HE SELLS IN ANY ONE MONTH.
 - 7. Q- But does not fuel wood become a farm product simply because it is cut by a farmer?
 - A- NO.
 - 8. Q- Would a farmer be able to apply his \$75 exemption to fuel wood cut on his farm?
 - A- YES.
 - 9. Q- Arc all forest products then subject to the General Maximum Price Regulation?
 - A- NO, STUMPAGE, LOGS, AND PUPLWOOD ARE EXPRESSLY EXCEPTED FROM THE GENERAL MAXIMUM PRICE REGULATION, WITHOUT REGARD TO ANY MONETARY LIMIT.
 - 10. Q- Does the same apply to charcoal?
 - A- NO, CHARCOAL IS SUBJECT TO THE REGULATION.



- A- THEY ALSO ARE SUBJECT TO THE REGULATION.
- 12. Q- Are naval stores agricultural commodities under the Price Control Act?
 - A- WOOD NAVAL STORES ARE NOT, BUT GUM NAVAL STORES ARE NOW CONSIDERED AS AGRICULTURAL COMMODITIES BY THE OPA.
- 13. Q- What determines the maximum price for products subject to the General Regulation?
 - A- THE HIGHEST PRICE THE SELLER CHARGED IN MARCH 1942 FOR THE SAME DESCRIPTION AND GRADE OF PRODUCT.
- 14. Q- Suppose he didn't sell any in March 1942.
 - A- THEN HE MUST NOT EXCEED THE PRICE THAT THE MOST CLOSELY COMPETITIVE SELLER CHARGED DURING THAT MONTH FOR A LIKE COMMODITY.
- 15. Q- Would you give an example of how price fixing works as applied to a standard cord of fuel wood, mixed hardwoods partly seasoned and cut in 2-foot lengths?
 - A- THE GENERAL PLAN IS MUCH THE SAME AS WITH ANY OTHER COMMODITY.

 IF THE SELLER DELIVERED SUCH WOOD IN MARCH HIS CEILING PRICE IS
 EXTABLISHED BY THE HIGHEST PRICE AT WHICH HE DELIVERED SUCH WOOD
 DURING THAT MONTH. IT WILL NOT MATTER IF THE MIXTURE OF WOODS
 WAS NOT QUITE THE SAME, SO LONG AS THE WOOD WAS EQUALLY SERVICEABLE AND BELONGED TO A TYPE WHICH COULD ORDINARILY BE SOLD IN THE
 SAME PRICE LINE. IF THE SELLER MADE NO SUCH DELIVERIES IN MARCH,
 HE SHOULD THEN INQUIRE AROUND THE NEIGHBORHOOD AND TAKE AS HIS
 CEILING THE GOING PRICE IN THAT MONTH. THIS IS PROBABLY HOW
 HE WOULD FOLLOW THE DIRECTION IN THE REGULATION TO EMPLOY AS HIS
 CEILING THE HIGHEST PRICE CHARGED DURING THAT MONTH BY THE MOST
 CLOSELY COMPETITIVE SELLER OF THE SAME CLASS.
- 16. Q- How will the Price Regulation be administered by the OPA with millions of woodland owners in the United States coming under the Regulations?
 - A- THE OPA EXPECTS TO ENLARGE ITS LOCAL STAFFS SO THAT THERE WILL BE AN AVERAGE OF ABOUT ONE INSPECTOR TO EACH COUNTY. IT WILL ALSO HAVE THE ASSISTANCE OF A NUMBER OF VOLUNTEER WORKERS. CONSUMERS WILL IN MANY CASES PRESUMABLY REPORT SERIOUS OVER-CHARGES. IT IS EXPECTED THAT THE OBSERVANCE OF THE REGULATION WILL BE GREATLY FACILITATED BY A WIDE-SPREAD RECOGNITION THAT EACH OF US SHOULD DO HIS SHARE TOWARD WINNING THE WAR. ONE OF THE WAYS THAT MANY OF US CAN HELP IS BY CONTRIBUTING TO THE EFFORT TO HOLD PRICES STEADY.

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